



## Senate

General Assembly

January Session, 2013

**File No. 683**

Senate Bill No. 1123

*Senate, May 2, 2013*

The Committee on Judiciary reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT ELIMINATING THE FEES ASSOCIATED WITH THE ELECTRONIC FILING OF AN ANNUAL REPORT BY A LIMITED PARTNERSHIP OR LIMITED LIABILITY COMPANY.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 34-13e of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2013*):

4 (c) Each annual report shall be executed in accordance with section  
5 34-10a and, if the annual report is not filed by electronic transmission,  
6 be accompanied by the filing fee established in section 34-38n, as  
7 amended by this act. The Secretary of the State shall deliver to each  
8 limited partnership at the address of the office required to be  
9 maintained by section 34-13b or its electronic mail address, as shown  
10 by his records, notice that the annual report is due, but failure to  
11 receive such notice shall not relieve a limited partnership of the  
12 requirement of filing the report as provided in this section.

13 Sec. 2. Subsection (a) of section 34-38n of the general statutes is  
14 repealed and the following is substituted in lieu thereof (*Effective*  
15 *October 1, 2013*):

16 (a) The Secretary of the State shall receive, for filing any document  
17 or certificate required to be filed under sections 34-10, 34-13a, 34-13e,  
18 34-32, 34-32a, 34-32c, 34-38g and 34-38s, the following fees: (1) For  
19 reservation or cancellation of reservation of name, sixty dollars; (2) for  
20 a certificate of limited partnership and appointment of statutory agent,  
21 one hundred twenty dollars; (3) for a certificate of amendment, one  
22 hundred twenty dollars; (4) for a certificate of merger or consolidation,  
23 sixty dollars; (5) for a certificate of cancellation, sixty dollars; (6) for a  
24 certificate of registration, one hundred twenty dollars; (7) for a change  
25 of agent or change of address of agent, twenty dollars; (8) for a  
26 certificate of reinstatement, one hundred twenty dollars; and (9) for an  
27 annual report that is not filed by electronic transmission, twenty  
28 dollars.

29 Sec. 3. Subsection (e) of section 34-106 of the general statutes is  
30 repealed and the following is substituted in lieu thereof (*Effective*  
31 *October 1, 2013*):

32 (e) Each annual report shall be executed in accordance with section  
33 34-109 and, if the annual report is not filed by electronic transmission,  
34 be accompanied by the filing fee established in section 34-112, as  
35 amended by this act. The Secretary of the State shall deliver to each  
36 limited liability company at its principal office or electronic mail  
37 address, as shown on his records, notice that the annual report is due,  
38 but failure to receive such notice shall not relieve a limited liability  
39 company of the requirement of filing the report as provided in this  
40 section.

41 Sec. 4. Subsection (a) of section 34-112 of the general statutes is  
42 repealed and the following is substituted in lieu thereof (*Effective*  
43 *October 1, 2013*):

44 The Secretary of the State shall charge and collect the following fees

45 and remit them to the Treasurer for the use of the state:

46 (a) Fees for filing documents and issuing certificates: (1) Filing  
 47 application to reserve a limited liability company name or to cancel a  
 48 reserved limited liability company name, sixty dollars; (2) filing  
 49 transfer of reserved limited liability company name, sixty dollars; (3)  
 50 filing articles of organization, including appointment of statutory  
 51 agent, one hundred twenty dollars; (4) filing change of address of  
 52 statutory agent or change of statutory agent, fifty dollars; (5) filing  
 53 notice of resignation of statutory agent in duplicate, fifty dollars; (6)  
 54 filing amendment to articles of organization, one hundred twenty  
 55 dollars; (7) filing restated articles of organization, one hundred twenty  
 56 dollars; (8) filing articles of merger or consolidation, sixty dollars; (9)  
 57 filing articles of dissolution by resolution, fifty dollars; (10) filing  
 58 articles of dissolution by expiration, fifty dollars; (11) filing judicial  
 59 decree of dissolution, fifty dollars; (12) filing certificate of  
 60 reinstatement, one hundred twenty dollars; (13) filing application by a  
 61 foreign limited liability company for certificate of registration to  
 62 transact business in this state and issuing certificate of registration, one  
 63 hundred twenty dollars; (14) filing application of foreign limited  
 64 liability company for amended certificate of registration to transact  
 65 business in this state and issuing amended certificate of registration,  
 66 one hundred twenty dollars; (15) filing application for withdrawal of  
 67 foreign limited liability company and issuing certificate of withdrawal,  
 68 one hundred twenty dollars; (16) filing an annual report that is not  
 69 electronically transmitted, twenty dollars; and (17) filing an interim  
 70 notice of change of manager or member, twenty dollars.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2013	34-13e(c)
Sec. 2	October 1, 2013	34-38n(a)
Sec. 3	October 1, 2013	34-106(e)
Sec. 4	October 1, 2013	34-112(a)

**JUD**      *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note****State Impact:**

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Secretary of the State	GF - Potential Revenue Loss	Significant	Significant

**Municipal Impact:** None

**Explanation**

The bill, which would eliminate certain fees for limited partnerships (LP) and limited liability companies (LLC) that file annual reports electronically with the Secretary of the State (SOTS), is anticipated to result in a potentially significant revenue loss for the SOTS.

Under current law, the fee to file an annual report for an LP or LLC with the SOTS is \$20, regardless of the filing method. There are approximately 268,000 such firms registered with the SOTS. To the extent that a waiver of fees for electronic filing would encourage LPs and LLCs to file annual reports electronically, the SOTS may potentially realize a significant revenue loss. The following table shows a range of potential revenue loss in FY 14 as a result of this bill.

### Secretary of the State Potential Revenue Loss Scenarios

Percent of Existing LP/LLCs Filing Electronically	Number of Firms Filing Electronically	Waived Fee \$	Total FY 14 Revenue Loss \$
10%	26,800	20	536,000
25%	67,000	20	1,340,000
50%	134,000	20	2,680,000
100%	268,000	20	5,360,000

In addition, given that approximately 11,000 new LCs and LLPs have been formed per year in recent years, this revenue loss is anticipated to grow in FY 15 as new firms are formed. The revenue loss in FY 15 would be dependent upon the number of new LCs and LLPs formed and the rate at which firms file electronically.

#### ***The Out Years***

The fiscal impact identified above would continue into the future subject to growth in both the number of affected firms and the number of such firms filing electronically.

**OLR Bill Analysis****SB 1123*****AN ACT ELIMINATING THE FEES ASSOCIATED WITH THE ELECTRONIC FILING OF AN ANNUAL REPORT BY A LIMITED PARTNERSHIP OR LIMITED LIABILITY COMPANY.*****SUMMARY:**

This bill eliminates the \$20 annual report filing fee for limited partnerships and limited liability companies if they file these reports with the secretary of the state electronically.

By law, these entities must file their annual reports electronically unless the secretary grants an exemption due to an entity's inability to file or make a payment electronically or for other good cause.

EFFECTIVE DATE: October 1, 2013

**COMMITTEE ACTION**

Judiciary Committee

Joint Favorable

Yea 44      Nay 0      (04/16/2013)